



July 1, 2003

The Hartley County Harvester

**Hartley County FSA
District 1**
PO Box 177
Hartley, TX 79044-0177

Voice: (806) 365-4453
FAX: (806) 365-4446

Hours:
Monday-Friday
8:00 AM – 4:30 PM

County Committee:
Joe Parker
Jason Schniederjan
Bud Snead

Minority Advisor:
Babette Spinhirne

Farm Program Staff:
Glen Clugy, CED
Becky Brown, PT
Becky Voight, PT
Teresa Gates, PT
Leanna Evans, PT

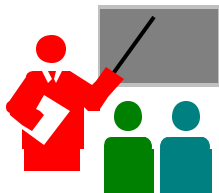
Farm Loan Staff:
(Dalhart Office)
Marc Lathem, FLM
Barbara Koch, PT

Regular Committee Meetings
held on the 3rd Wednesday of
each Month.

Dates to Remember
July 3rd – Last Day to
Enroll into LCP-II
Livestock Program
July 4th – Office Closed
for the 4th of July
July 15th – Last Day to
Report Spring Seeded
and CRP Acreage

On the World Wide Web:
USDA Washington Office
www.usda.gov
FSA Washington Office
www.fsa.usda.gov
Texas State FSA Office
www.fsa.usda.gov/tx
Hartley FSA
www.fsa.usda.gov/tx/tx205

Producer Meeting



A producer meeting will be held on Tuesday, July 22nd at 9:30 a.m. in the Hartley Community Building to discuss the 2001-2002 Crop Disaster Program, 2001/2002 Livestock Assistance Program, 2003 Loan Deficiency Payment Program, and to answer any questions you may have concerning these or any FSA program. We hope to see you there.

2001/2002 Crop Disaster Program

Sign-up for the 2001/2002 Crop Disaster Program (CDP) began on June 6. Qualifying producers will have a choice of receiving payments for crop losses resulting from eligible loss conditions for either the 2001 or 2002 crop year, but not both. Producers must choose the same year for all crops and for all farms in the administrative county. CDP will provide assistance for losses to eligible producers, due to low yields, reduced quality and value loss crops, and prevented planting.

To be eligible for a disaster payment, producer's crop production must have been reduced by more than 35 percent from each crop's "expected production." Disaster payments are issued on losses exceeding the 35% threshold. Quality loss payments are available when the loss in quality exceeds 20% of the production.

Payments will be calculated using 50% of the payment rate for producers who had crop insurance and/or NAP coverage. Payments on uninsured crops, insurance available but not obtained, will be calculated using 45% of the payment rate.

Producers who did not have crop insurance and elect to receive a disaster payment will be required to purchase Buy-Up Crop Insurance for the next 2 years (2004 and 2005). CAT coverage is not buy-up. If insurance is not available for your crop, you must purchase NAP coverage on that crop for the next 2 years (2004 and 2005). Failure to purchase insurance or NAP would require you to refund the CDP payment plus interest for that crop. Talk to an agent now about crop insurance costs. You may reconsider applying for the program if your disaster payment is worth only \$500 but your insurance premiums are \$1,000.

The application closing date has not been announced. The CDP program will likely run for a few months so you have time to gather your records and discuss the program with FSA.

LCP-II Signup to End



The enrollment period for the Livestock Compensation Program, Phase II will end on July 3rd. This program financially assists livestock producers who owned eligible livestock on June 1, 2002, and producers who received payments under the Phase I program are ineligible to apply during the Phase II enrollment period.

Livestock Assistance Program

In mid to late July, this office will begin accepting enrollment applications for the 2001/2002 Livestock Assistance Program (LAP). Details of this program are sketchy at this time, however; we do know that the program is designed to financially assist livestock producers who experienced dryland feed losses in 2001 and 2002.

To be eligible, producers must show that they experienced at least a 40% grazing loss in at least three consecutive months in either the 2001 or 2002 crop years (April 22nd through November 2^d). To qualify, producers must show that they owned eligible livestock during the loss period and that they had interest and risk of loss in dryland grass or forage acreage which were affected by an eligible loss condition. Losses from irrigated and small grain grazing acres are not eligible for this program.

Payments under the program will be based on the higher of the grazing loss attributed to the land OR the livestock feed needs for the livestock during the loss period.

A \$40,000 payment limitation including any benefits received under the LCP will apply and producers whose Adjusted Gross Income (net income after expenses) exceeds \$2.5 million are ineligible for this program.

As additional details concerning this program become available, we will keep you informed.

Holiday



This office will be closed on Friday, July 4th for Independence Day. We will reopen on Monday, July 7th and we wish you and your family a safe, happy, and fun 4th of July.



Acreage Reports Due

July 15th is the final date to submit a total farm acreage report for 2003. All acreages of cotton, grain sorghum, corn, soybeans, fruits, vegetables, hay, CRP, and all other crops must be reported by this date. You are required to file an acreage report if you:

- Participate in the Direct and Counter-Cyclical Program (DCP),
- Request an LDP or a commodity loan,
- Participate in the 10 – 15 year Conservation Reserve Program (CRP), or
- Participate in NAP

A late filed acreage report fee will be assessed for acreage reports submitted after the July 15 deadline. If you are unsure of the correct acreage, you can request an FSA measurement service for a small fee. However; any measurement service request must also be filed by the July 15th deadline.

DCP Contract Changes

Transferring a DCP contract to another producer, selling land or altering shares of your DCP contract during the crop year is what we refer to as a “succession-in-interest.” You need to notify our office of changes in your DCP contract as soon as possible but not later than September 30, 2003.

Please remember that:

- Producers who produce a crop on DCP contract acreage on a farm are required to share in the DCP payments for the farm,
- If a change occurs that requires a revision of shares on the original contract, and the contract is not revised before September 30, then no producer is eligible for payment. If the contract is not updated to reflect the succession in interest by September 30, the 2003 DCP contract will be terminated and all payments issued for the 2003 crop year must be refunded, and
- DCP payments must be refunded if someone receives a DCP payment for a farm and subsequently fails to meet the definition of a producer on the farm for the contract year.
- If a change occurs, the new producer(s) will not be paid until the previous producer(s) refunds the unearned advance payment.

Upcoming DCP payments and enrollment activities are:

| | |
|----------------|--|
| July, 2003 | - Final 2002 Wheat, Barley, and Oats Counter-Cyclical Payment if earned. |
| September 2003 | - Final 2002 Rice, Cotton, and Peanuts Counter-Cyclical Payments if earned. |
| October 2003 | - Final 2002 Corn, Sorghum, and Soybean Counter-Cyclical Payments if earned. - Final 2003 Direct Payment for All Crops. - 1 st 2003 Counter-Cyclical Advance Payment for All Crops if requested. - Begin 2004 Enrollment |
| December 2003 | - Advance 2004 Direct Payments for All Crops if requested. |
| February 2004 | - 2 nd 2003 Counter-Cyclical Advance Payment for All Crops if requested. |

Loan Deficiency Payments Available

With the markets going down, don't forget that your 2003 crop production may be eligible for a Loan Deficiency Payment (LDP). Producers who retain title, control, and risk in a commodity can request an LDP on any date prior to selling the crop. Producers who loose control at delivery should have already completed a request for the crop prior to harvest, which will allow us to issue an LDP, based on the date of delivery.

NAP Coverage Continues

Like crop insurance, NAP coverage (only available for crops not eligible for FCIC multi-peril insurance) rolls over from the previous year as long as you pay the service fee by the crop's sales closing date. NAP costs \$100/crop, not to exceed \$300/county and \$900 for multi-county producers. For the 2004 crop year, producers interested in adding or deleting NAP crops or changing producer shares on a NAP contract need to act before the crop's application closing date.

| <u>Closing Date</u> | <u>Crops</u> |
|---------------------|--|
| September 1, 2003 | Wheat, Oats, Barley and Rye for Grazing |
| September 30, 2003 | Wheat, Oats, Barley and Rye for Hay |
| December 1, 2003 | Alfalfa for Grazing, Native & Improved Grasses, and Mixed Forage Crops |
| March 1, 2004 | Alfalfa for Hay and Sunflowers |
| March 15, 2004 | Forage Sorghums for Grazing & Hay |

Purchasing NAP coverage is a great start to protecting your crop investment. Please keep the following in mind:

- Submit an application for coverage prior to the application closing date for the crop.
- Report planted crop acres to the office by acreage reporting deadlines.
- File a Notice of loss (CCC-576) with the county office within 15 calendar days of the:
 - final planting date, if your planting was prevented by a natural disaster;
 - natural disaster occurrence;
 - date damage to the crop or loss of production becomes apparent to you; or
 - the normal harvest date.
- To receive NAP benefits, you must complete Form CCC-576, Application for Payment, prior to the application closing date of the subsequent year. The CCC-576 requires you to provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.
- Contact the FSA office for an appraisal to be completed prior to destroying the crop or putting the crop to another use.
- Certify last year's harvested production for all covered crops by the crop's acreage reporting date.

Forage producers with NAP need to remember the following:

- Contact the county office before grazing forage acreage intended for mechanical harvest. Producers must agree to leave sample areas that can be appraised later in the year.
- Keep production records separate on acreage intended for forage from acres intended for grazing but were actually mechanically harvested.
- Forage acreage reports should be filed 15 days before harvest either by grazing or haying. The best time to report forage acreage is the date you submit your application for coverage.

If you have any questions about this newsletter or any FSA program, please come by this office or call us at (806) 365-4453 extension 2.